APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
09/325,536	06/04/99	BOYLE	K 47004.000040

EXAMINER
THOMPSON JR. F

ART UNIT	PAPER NUMBER
2165	

021967
HUNTON AND WILLIAMS
1900 K STREET N W
WASHINGTON DC 20006

TM01/0313

DATE MAILED:
03/13/01

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

1- File Copy

☒ Responsive to communication(s) filed on _12/22/00_

☒ This action is **FINAL.**

☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire _____ _three_ month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

Disposition of Claim

☒ Claim(s) _1-25_ is/are pending in the applicat

Of the above, claim(s) _____ is/are withdrawn from consideration

☐ Claim(s) _____ is/are allowed.

☒ Claim(s) _1-25_ is/are rejected.

☐ Claim(s) _____ is/are objected to.

☐ Claims _____ are subject to restriction or election requirement.

Application Papers

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on _____ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on _____ is ☐ approved ☐ disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☒ None of the CERTIFIED copies of the priority documents have been

☐ received.

☐ received in Application No. (Series Code/Serial Number) _____ .

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: _____

☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

☒ Notice of References Cited, PTO-892

☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). _____

☐ Interview Summary, PTO-413

☐ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- *SEE OFFICE ACTION ON THE FOLLOWING PAGES* ---

DETAILED ACTION

1.   The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action (See Paper No. 5). The text of those sections of Title 35, U.S. Code not otherwise provided in a prior Office action will be included in this action where appropriate.

2.   This action is responsive to the amendment (amendment A) filed 22 December 2000 (see Paper #9). Amendment A amended claims 8, 13, 16-17, 21, and 25. **Claims 1-25 are pending.**

3.   **Claims 1-25 have been examined.**

Drawings

4.   The drawings received on 04 June 1999 are objected to by the Draftsperson (see form PTO 948).

Applicant is required to submit a proposed drawing correction in reply to this Office action. However, formal correction of the noted defect can be deferred until the application is allowed by the examiner.

Claim Objections

5.   Claim 25 was objected to in Paper #5 because of the following informalities: the claim stated "said club merchant or service provider" on pg. 24 in line 18. Claim 25 is dependent from

independent claim 21 which stated "a plurality of clubs, merchants or service-providers" on pg. 24 in lines 2-3, and dependent claim 23 which stated "said plurality of clubs, merchants or service-providers" on pg. 24 in lines 14-15. Proper antecedent basis for the term in claim 25 was not provided nor identified by applicant. Applicant's amendment overcomes these objections; therefore, examiner withdraws the objections.

Claim Rejections - 35 USC § 101

6.   Claim 17 and 21 were rejected under 35 U.S.C. 101 in Paper #5 because the claimed invention was directed to non-statutory subject matter. Applicant's amendment overcomes these objections; therefore, examiner withdraws the objections.

Claim Rejections - 35 USC § 102

7.   Claims 1-3 are rejected under 35 U.S.C. 102(e) as being anticipated by **Fernandez-Holmann** (U.S. Patent No. 5,787,404).

As per claim 1, **Fernandez-Holmann** discloses:

-     a credit card capable of charging point of service transactions (col. 2 lines 24-44); and

-     said credit card having encoded information thereon (col. 2 lines 24-44);

As per claim 2, **Fernandez-Holmann** discloses said encoded information is of an account number that is correlated by a credit card processing system to said plurality (col. 2 lines 24-44).

As per claim 3, **Fernandez-Holmann** disclose said cardholder's account is automatically updated to reflect said automated charges by said credit card processing system (col. 2 lines 24-44; col. 4 lines 9-34).

8.   Claims 21-23 are rejected under 35 U.S.C. 102(e) as being anticipated by **Kolling et al.** (U.S. Patent No. 5,920,847).

As per claim 21, **Kolling et al.** disclose:

-    periodically searching the database to identify a plurality of cardholders who are to be charged a fee or due (col. 11 lines 5-33);

-    generating a batch of transaction requests based on said step of searching (col. 36 lines 31-67; col. 37 lines 1-16);

-    submitting said batch to a transaction processor (col. 36 lines 31-67; col. 37 lines 1-16); and

-    updating the accounts of said plurality of cardholders based on results reported by said transaction processor (col. 37 lines 27-30).

As per claim 22, **Kolling et al.** disclose automatically transferring funds to a club, merchant or service provider based on said results (col. 36 lines 31-67; col. 37 lines 1-30).

Claim 23 is written as a method and contains the same limitations as claim 22; therefore, the same rejection is applied.

Claim Rejections - 35 USC § 103

9.   Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Fernandez-Holmann** (U.S. Patent No. 5,787,404).

As per claim 4, **Fernandez-Holmann** does not disclose encoded information thereon identifies one or more said plurality for use as an admission pass. However, Official Notice is taken that use of a credit card or other card as an admission pass was old and well known at the time the invention was made. One example is the use of an ATM card at a bank to open the door to access the area where an ATM is located. It would have been obvious to one skilled in the art to combine **Fernandez-Holmann** and old and well known art to disclose encoded information thereon identifies one or more said plurality for use as an admission pass, because this is a desirable security/access control feature for businesses and merchants.

10.   Claims 5-12 and 17-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Fernandez-Holmann** (U.S. Patent No. 5,787,404), and further in view of **Reeder** (U.S. Patent No. 6,014,636), and **Kolling et al.** (U.S. Patent No. 5,920,847).

As per claim 5, **Fernandez-Holmann** discloses:

- a server adapted to interface with user systems for receiving applications and batch processing auto-charge transactions; (col. 2 lines 27-38), through establishing a credit based account with a credit card issuer for the benefit of a credit card holder, providing an investment account with a financial institution for the benefit of the credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder, all of which support the functionality of a server as part or component of the **Fernandez-Holmann** invention;

- a monetary processor system for processing point of sale transactions submitted over an interchange (col. 3 lines 19-21), by automatically making the required periodic payments to the investment account and billing the consumer accordingly along with the purchase charges normally incurred by the consumer; and

- the credit card holder may be billed by the credit card issuer for the amount of money funded to the investment account (col. 2 lines 45-47), by automatically making the required periodic payments to the investment account and billing the consumer accordingly along with the purchase charges normally incurred by the consumer.

Fernandez-Holmann does not specifically disclose a database containing a plurality of cardholders. **Fernandez-Holmann** does disclose through establishing a credit based account

with a credit card issuer for the benefit of a credit card holder, and providing an investment account with a financial institution for the benefit of the credit card holder (col. 2 lines 27-38). These are actions associated with and necessary for creating and using a database.

Additionally, **Reeder** discloses a method for providing point-of-sale (POS) payment using interactive television (ITV) or the world wide web (WWW) by directly debiting a customer's bank account through electronic transfer of funds or by billing a customer's credit card account (Abstract).

Neither **Fernandez-Holmann** nor **Reeder** specifically disclose a dues processor system for processing batch files of auto-charges. **Fernandez-Holmann** does disclose automatically making the required periodic payments to the investment account and billing the consumer accordingly along with the purchase charges normally incurred by the consumer (col. 3 lines 19-21).

Additionally, **Kolling et al.** disclose batch processing auto-charge transactions (col. 11 lines 5-33; col. 37 lines 9-17). Therefore, it would have been obvious to one skilled in the art to combine **Fernandez-Holmann, Reeder, Kolling et al.**, and old and well known art to disclose a server adapted to interface with user systems for receiving applications and batch processing auto-charge transactions; a monetary processor system for processing point of sale transactions submitted over an interchange; a dues processor system for processing batch files of auto-charges; and a database containing a plurality of cardholders, because this provides obvious benefits in the scope of the invention.

As per claim 6, **Fernandez-Holmann** discloses a report processor system for generating reports of account activity (col. 3 lines 11-21).

As per claim 7, **Fernandez-Holmann** discloses a transaction processor for accessing said database to determine if a transaction request is to be authorized (col. 5 lines 3-35).

As per claims 8-12, **Fernandez-Holmann** does not disclose said database further contains information identifying a partner that is associated with a plurality of clubs, merchants, or service-providers; said partner is a branch of the military, said partner is a university or college; said database contains information identifying one or more installations or bases of said partner; said database is a fully relational database allowing a cardholder to be transferred from one installation or base to another installation or base. Official Notice is taken that it was old and well known in the art at the time the invention was made that organizations may be associated with a plurality of clubs, merchants, or service providers for business or other purposes. One example of this are the gas stations located on military installations. Additionally, Official Notice is taken that it was old and well known in the art at the time the invention was made that users of credit accounts or other types of accounts may relocate from time to time and still be able to use the credit instruments previously used, while providing update information as to the user's status and location/address. Therefore, it would have been obvious to one skilled in the art at the time the invention was made to combine **Fernandez-Holmann, Kolling et al., Reeder,** and old and well known art to disclose said database further contains information identifying a

partner that is associated with a plurality of clubs, merchants, or service providers, said partner is a branch of the military, said partner is a university or college, said database contains information identifying one or more installations or bases of said partner, nor said database is a fully relational database allowing a cardholder to be transferred from one installation or base to another installation or base, because this provides utility to the invention.

Claim 17 is written as a method and contains the same limitations as claim 5; therefore, the same rejection is applied.

As per claim 18, **Fernandez-Holmann** discloses said step of entering data includes entry of information describing at least one of the frequency and date of the funds to be issued (col. 2 lines 23-44).

As per claim 19, **Fernandez-Holmann** discloses said step of entering data includes entry of information describing the amount of funds to be issued (col. 2 lines 23-44).

As per claim 20, **Fernandez-Holmann** discloses the step of processing a plurality of transaction requests based on said data (col. 4 lines 9-34).

Claims 13-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Fernandez-Holmann** (U.S. Patent No. 5,787,404), and further in view of **Reeder** (U.S. Patent No. 6,014,636).

As per claim 13, **Fernandez-Holmann** discloses a server for receiving applications (col. 2 lines 27-29), which discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder. Additionally, **Reeder** discloses:

- processing point of sale transactions (col. 2 lines 5-18);

- processing auto-charges to clubs, merchants or service-providers (col. 2 lines 5-18).

- a plurality of user systems (col. 2 lines 5-18); and

- a network interfacing said server and said plurality of user systems (col. 2 lines 5-18).

It would have been obvious to one skilled in the art at the time the invention was made to combine **Fernandez-Holmann** and Reeder to disclose a server for receiving applications, processing point of sale transactions, processing auto-charges to clubs, merchants or service-providers, a plurality of user systems, and a network interfacing said server and said plurality of user systems, because this provides desired utility and capabilities that are obvious improvements for **Fernandez-Holmann** and **Reeder** inventions.

As per claim 14 and 15, **Fernandez-Holmann** and **Reeder** do not disclose at least one of said user systems is located at a military base, nor at least one of said user systems is located at a university or college. However, Official Notice is taken that the location of the user system is not a necessary parameter in the use of the invention (outside the art), nor does it necessarily enhance or restrict the use of the invention. Therefore, it would have been obvious to one skilled in the art at the time the invention was made that at least one of the user systems could be located at a military base or a university or college, or anywhere appropriate/necessary network connectivity may be achieved to provide the desired level of service to the user. Such connectivity is restricted only by limitations on connectivity to appropriate network connectivity access points. It would have been obvious to one skilled in the art at the time the invention was made to combine **Fernandez-Holmann** and **Reeder** and obvious potential connectivity capabilities to disclose at least one of said user systems is located at a military base, nor at least one of said user systems is located at a university or college, since the invention may be used practically anywhere a computer may be interconnected to the appropriate network and be operated.

11.   Claims 16 is rejected under 35 U.S.C. 103(a) as being unpatentable over **Reeder** (U.S. Patent No. 6,014,636), and further in view of **Fernandez-Holmann** (U.S. Patent No. 5,787,404).

As per claim 16, **Reeder** does not disclose a database of cardholders including information of charges to be automatically posted to cardholder accounts and credited to a club,

merchant or service-provider. However, **Fernandez-Holmann** discloses the system and methods of the preferred embodiment of the present invention described and claimed may be carried out by any of various computer based systems known in the prior art and programmed according the methodologies described herein in order to carry out the desired functions (col. 7 lines 31-36), and the credit card issuer automatically makes the required periodic payments to the investment account and bills the consumer accordingly along with the purchase charges normally incurred by the consumer (col. 3 lines 17-21). Also, Official Notice is taken that databases are old and well known in the art and are common to banks and credit card companies. Therefore, it would have been obvious to one skilled in the art to combine **Reeder, Fernandez-Holmann** and old and well known art to disclose a database of cardholders including information of charges to be automatically posted to cardholder accounts and credited to a club, merchant or service provider, because a database is common to most computer applications that must repetitively process large amounts of data, as in monthly bill and payment processing for credit cards.

12.   Claims 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kolling et al.** (U.S. Patent No. 5,920,847).

As per claim 24 and 25, **Kolling** does not disclose said club, merchant or service provider is located on a military base or installation. **Kolling** does disclose it is possible that service providers will provide services to a consumer regardless of the location of the consumer's account and that banks will accept payment authorization requests from any service providers

(col. 32 lines 17-29). Additionally, the location of said club, merchant or service provider is not a necessary parameter in the use of the invention (outside the art), nor does it necessarily enhance or restrict the use of the invention.

Response to Arguments

13.   Applicant's arguments filed 12/22/00 have been fully considered but they are not persuasive. The prior art used in this action is the same as used for rejection in the First Action (see Paper #5). **NOTE:** In the following paragraphs, examiner's response to applicant's arguments (see Paper #9) is italicized for differentiation.

14.   As per claims 1-3, applicant argues on pg. 6 at para. 3 of Paper #9 that **Fernandez-Holmann** comprises "providing an investment account with a financial institution ... for the benefit of the credit card holder [and] funding an investment account by the credit card issuer with a predetermined amount of money on a periodic basis." Applicant also states that, "according to the present invention claimed in claim 1, upon which claims 2 and 3 are dependent, the credit card has 'encoded information thereupon that associates the cardholder with a plurality of clubs, merchants or service providers ... there are at least several distinctions between the present invention and the method taught and disclosed by **Fernandez-Holmann**. *Examiner asserts that all credit cards contain some encoded identification information. The particular information encoded may be determined or limited by the credit card issuer, which includes*

account and user identification information. The affiliation of the user with a club, merchant or service provider was old and well known in the art at the time the invention was made. This information is determined, typically, by correlating card encoded information with information provided by the credit card user and maintained by the credit card issuer.

- First, the investment account, as disclosed by Fernandez-Holmann, is connected to and funded against the credit based account of the credit card holder. This connection with a credit based account, as disclosed by **Fernandez-Holmann**, is distinguished from the credit instrument of the present invention which comprises a credit card having encoded information thereon. The method disclosed by **Fernandez-Holmann** does not utilize, as claimed in the present invention, a credit card having encoded information thereon that associates the cardholder with a plurality of clubs, merchants, or service providers. *Examiner disagrees. All credit cards have encoded information that associates the credit card user with an account maintained by the credit card issuer. When the credit card encoded information is used in a transaction, account information is checked and verified by the credit card issuer or their representatives. At col. 2 lines 22-44, Fernandez-Holmann discloses providing an investment account with a credit card holder, providing an investment account with a financial institution for the benefit of the credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder. Credit card accounts are financial accounts at financial*

institutions and provide the same result for an investment account as for club, merchant or

service-provider accounts, that is, making payments (or deposits) into accounts for the benefit of

the credit card user, be it an investment account or an account of a club, merchant or service

provider. Money is paid by the credit card user (or by the credit card issuer in the credit card

user's name from funds advanced by the credit card issuer to the credit card user) to an account

other than the credit card account.

- Second, (at pg. 7 para.2) the method disclosed by Fernandez-Holmann, a single

investment account is funded from a credit based account. In contrast, the credit instrument of

the present invention comprises a credit card ... that associates the cardholder with a plurality of

clubs, merchants or service providers. **Fernandez-Holmann** does not teach or disclose the use

of multiple investment accounts or a plurality of clubs, merchants, or service providers, with a

credit based account or with a credit instrument. *Examiner notes that the method disclosed by*

Fernandez-Holmann, a single investment account is funded from a credit based account, is

equally usable for funding multiple accounts. Official Notice is taken that it was old and well

known in the art at the time the invention was made that credit card issuers maintain databases

of customer (credit card user) records. Such databases are usually essential and inherent in any

process that requires the storage, correlation and processing of large amounts of data. Without

such databases, credit card issuers and/or financial institutions could not conduct business in a

timely and efficient manner, as they presently do. Additionally, **Fernandez-Holmann** *discloses*

the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding or rebate-based funding of the investment account (col. 1 lines 6-11). There is no limitation in **Fernandez-Holmann** *constraining the invention to one investment per credit card user.* And credit card issuers regularly transfer payments to multiple organizations in a credit card user's name. Also, credit accounts and investment accounts have the same functionality with respect to periodic payments which may be made to the accounts. Money is paid and the credit card user's account is charged or debited.

- Third, (at pg. 8 para 3) **Fernandez-Holmann** does not teach or disclose a method to automatically charge fees or by which automated charges can be effectuated, as claimed by the present invention. Rather, **Fernandez-Holmann** discloses a credit card retirement rebate system which establishes an investment fund for the benefit of the credit card holder, into which payments will be made by the credit card issuer in the form of monthly credit-based contributions and/or rebates. **Fernandez-Holmann** discloses and teaches a system of contributions and/or rebates which is distinguished from the automated charges of the present invention. *Examiner disagrees.* **Fernandez-Holmann** *states that the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses*

automatic credit-based funding (col. 1 lines 6-11). Whether the automatic payments are made to a credit-based account or to an investment account is immaterial as pertains to the payment processing. The credit card issuer makes automatic disbursements of funds in the name of the credit card user.

15.   Applicant on pg. 7-8 argues that according to claim 13, the present invention is a server-based networked system ... comprising ... a server ... a plurality of user systems for submitting applications; and a network interfacing said server and said plurality of user systems. Reeder discloses a user terminal located at the customer's location. However, Reeder does not disclose or teach that the user terminal is for submitting applications, as claimed in claim 13. Rather the user terminal disclosed by Reeder is for making a POS payment either by authorizing direct debit from debit card account or bank account or by authorizing a charge to credit card account. *Examiner agrees that Reeder does not specifically disclose or teach that the user terminal is for submitting applications, as claimed in claim 13, for credit cards.* **Fernandez-Holmann** *discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder (col. 2 lines 27-29). This encompasses the step that credit card applications may be submitted over networks, through the mail or at financial establishments. Additionally, Official Notice is taken that network or application servers were old and well known in the art at the time the invention was made, and that to accomplish communications over a network, one or more servers must be encompassed in the system.*

Additionally, Official Notice is taken that database servers were old and well known at the time

the invention was made. It was typical for an organization (e.g., network administrator,

database administrator or business organization) to incorporate a server into its system

configuration to provide its required functionality (e.g., network) for conducting business.

Financial institution, credit card issuers, and businesses typically maintain servers as inherent

components of their business methods and systems for the conduct of their businesses over

networks and provide the necessary communications access for customers and businesses

communicate with each other. The same could and would be expected for the inventions of

Fernandez-Holmann *and Reeder.*

16.   Applicant on pg. 8 at para. 2 states the present invention, in contrast (to Kolling), does not

require the consumer or biller to initiate a payment transaction. As claimed in claim 21, the

method of the present invention is one in which clubs, merchants or service-providers [are] to be

paid automatically. *Examiner asserts that Kolling et al. discloses this step. At col. 11 lines 18-*

26, Kolling et al. discloses to authorize a remittance, the consumer transmits to its bank (a

participating bank), or an agent of its bank or any other party connected to the network, a

transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to

make the payment, (4) consumer C's account number with biller B (C-B account #), and (5) biller

B's BRN. One or more of these elements might be represented by a pointer to relatively static

information stored at Bank C. For example, if consumer C always uses one of a few accounts as

the source of funds, consumer C could submit a pointer indicating which account. Pointers are

also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An

expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables

for consumer C. Examiner interprets this to encompass the capability to generate automatic

charges and payments based on stored account parameters (i.e., expansion of pointers to the

pointed-to data can be done by Bank C maintaining look up tables for consumer C) for

processing the payments automatically. Therefore, Kolling et al. encompasses and discloses the

claimed invention.

17.   Applicant at pg. 9, para. 2, states that Kolling does not disclose or teach the payment or

the authorization for payment of regular or cyclical dues or fees. In contrast, an element of the

present invention is periodically searching a database to identify a plurality of cardholders who

are to be charged a fee or due. Subsequently, a batch or transaction requests [are submitted] ... to

a transaction processor. *Examiner asserts that Kolling et al. discloses this step. At col. 11 lines*

18-26, Kolling et al. discloses to authorize a remittance, the consumer transmits to its bank (a

participating bank), or an agent of its bank or any other party connected to the network, a

transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to

make the payment, (4) consumer C's account number with biller B (C-B account #), and (5) biller

B's BRN. One or more of these elements might be represented by a pointer to relatively static

information stored at Bank C. For example, if consumer C always uses one of a few accounts as

the source of funds, consumer C could submit a pointer indicating which account. Pointers are

also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An

expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables

for consumer C. Therefore, Kolling et al. encompasses and discloses the claimed invention.

18.   Applicant argues at pg. 9, last paragraph, that the present invention claims a credit card

with encoded information thereon that associates the cardholder with a plurality of clubs,

merchants or service providers. Thus, **Fernandez-Holmann** does not teach a credit instrument

like the claimed invention, including a credit card with encoded information thereupon that

associates the cardholder with a plurality of clubs, merchants or service providers. *Examiner*

disagrees. All credit cards have encoded information that associates the credit card user with an

account maintained by the credit card issuer. When the credit card encoded information is used

in a transaction, account information is checked and verified by the credit card issuer or their

representatives. At col. 2 lines 22-44, Fernandez-Holmann discloses providing an investment

account with a credit card holder, providing an investment account with a financial institution

for the benefit of the credit card holder, funding the investment account by the credit card issuer

with a predetermined amount of money on a periodic basis, and charging an amount of money so

funded against the credit based account of the credit card holder. Credit card accounts are

financial accounts at financial institutions and provide the same result as an investment account,

that is, making payments (or deposits) into accounts for the benefit of the credit card user, be it

an investment account or an account of a club, merchant or service provider. Money is paid by

the credit card user (or by the credit card issuer in the credit card user's name from funds

advanced by the credit card issuer to the credit card user) to an account other than the credit

card account.

19.   Applicant argues on pg. 10 in para 2 that **Fernandez-Holmann**, Reeder, Kolling, or any

combination of these references , does not teach a system or method like the claimed invention.

Independent claim 5 states a database containing information of a plurality of cardholders

including information describing charges to be processed automatically for a club, merchant or

service provider. Independent claim 17 claims a database [including] information of a plurality

of clubs, merchants or service-providers agreeing to auto-charging of dues or fees. **Fernandez-**

Holmann, Reeder and Kolling do not disclose or teach such a database. *Examiner disagrees.*

Official Notice is taken that a database was old and well known in the art at the time the

invention was made , and is an inherent component in the systems described for the credit card

issuers and financial institutions. Transactions on the scale that credit card issuers transact (for

example) require databases for correlating credit card users' accounts, financial institutions

transactions, and business transactions to accurately and expeditiously apply charges and pay

transactions. Additionally, **Fernandez-Holmann** *states that the present invention relates to the*

funding of investment accounts such as long term investment accounts which may be suitable for

use in retirement or pension plans, and in particular to a credit card based funding system which

uses automatic credit-based funding (col. 1 lines 6-11). Whether the automatic payments are

made to a credit-based account or to an investment account is immaterial as pertains to the

payment processing. The credit card issuer makes automatic disbursements of funds in the name

of the credit card user.

20.   Applicant argues on pg. 10 in para. 3 that claim 5 claims a server adapted to interface

with user systems for receiving applications. Reeder, **Fernandez-Holmann** and Kolling do not

disclose or teach such a database. *Examiner disagrees. Examiner agrees that Reeder does not*

specifically disclose or teach that the server adapted to interface with user systems is for

receiving applications, as claimed in claim 13, for credit cards. However, Official Notice is

taken that it was old and well known that credit card applications may be submitted over

networks, through the mail or at financial establishments. **Fernandez-Holmann** *discloses the*

method comprises the steps of establishing a credit based account with a credit card issuer for

the benefit of a credit card holder (col. 2 lines 27-29). Official Notice is taken that a database

was old and well known in the art at the time the invention was made. Databases have been used

for many applications that require the storage and accessing of significant amounts of data,

including financial transaction accounts. A database has become **<u>an inherent component</u>** *of the*

financial transaction systems that have come to exist. It would have been obvious to one skilled

in the art at the time the invention was made to interpret Fernandez-Holmann as a system that

incorporates a database storing and accessing user/customer/business data, because such access

is necessary to adequately conduct business. Additionally, Official Notice is taken that database

servers were old and well known at the time the invention was made. Additionally, Official

Notice is taken that network or application servers were old and well known in the art at the time

the invention was made, and that to accomplish communications over a network, one or more

servers must be encompassed in the system. It was typical for an organization (e.g., network

administrator, database administrator or business organization) to incorporate a server into its

system configuration to provide its required functionality (e.g., network) for conducting business.

Financial institutions, credit card issuers and businesses typically maintain servers for the

conduct of their businesses over networks and provide the necessary communications access for

customers and businesses communicate with each other.

21.   Applicant argues on pg. 10 in para. 4 that claim 5 claims a server adapted to interface

with user systems for ... batch processing of auto-charge transactions and a dues processor system

for processing batch files of auto-charges. Claim 17 claims database information of a plurality of

clubs, merchants or service-providers agreeing to auto-charging of dues or fees. In contrast,

Fernandez-Holmann, Reeder, Kolling, or any combination of these references, does not teach a

database or batch processing of auto-charge transactions ... The Office Action relies on Kolling

to provide the element of auto-charge transactions. ... However, ... Kolling does not disclose or

teach the auto-charge transactions claimed by the present invention. Each of the embodiments

disclosed by Kolling require either the consumer or the biller to initiate the transaction.

*Examiner disagrees. Claims 5 and 17 were rejected with a combination of references and the obvious combination of their disclosures (i.e., **Fernandez-Holmann**, Kolling, Reeder). **Fernandez-Holmann** discloses the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding or rebate-based funding of the investment account (col. 1 lines 6-11). **Fernandez-Holmann** discloses (col. 2 lines 27-38), establishing a credit based account with a credit card issuer for the benefit of a credit card holder, providing an investment account with a financial institution for the benefit of the credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder. These features provide the functionality of the applicant's invention. Additionally, Reeder discloses building a batch process to process transactions (col. 37 lines 9-17). It would have been obvious to one skilled in the art at the time the invention was made to combine **Fernandez-Holmann**, Kolling and Reeder to disclose batch processing of auto-charge transactions and a dues processor system for processing batch files of auto-charges, because this would have been an obvious extension of **Fernandez-Holmann** and Reeder already inherent in some aspects in both references.*

22.   As per claims 14 and 15, applicant argues on pg. 11 in para 2 that according to the present invention, claim 13, upon which claims 14 and 15 are dependent, claims a server for receiving applications ... and processing auto-charges to clubs, merchants or service-providers. In contrast, Reeder does not disclose or teach a server which can receive applications. Likewise, Reeder does not disclose or teach a server which can process auto-charges or auto-charges to clubs, merchants or service providers. Additionally, claim 13 claims a plurality of user systems for submitting applications. Reeder does not disclose or teach user systems for submitting applications. *Examiner agrees. Other prior art has been applied to reject claims 13-15. Therefore, applicant's argument is moot.*

23.   As per claim 16, Applicant argues on pg. 11 in last paragraph that neither Reeder nor **Fernandez-Holmann** or any combination of these references teach a server-based networked system like the claimed invention including a server for receiving applications ... and processing auto-charges to clubs, merchants and service providers and a plurality of user systems for submitting applications. *Examiner disagrees.* **Fernandez-Holmann** *discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder (col. 2 lines 27-29). Additionally, Official Notice is taken that network or application servers were old and well known in the art at the time the invention was made, and that to accomplish communications over a network, one or more servers must be encompassed as inherent components in the system. Additionally, Official Notice is taken that*

database servers were old and well known at the time the invention was made, and that to accomplish business transactions over a network, one or more servers were usually encompassed as inherent components in the system. It was typical for an organization (e.g., network administrator, database administrator or business organization) to incorporate a server into its system configuration to provide its required functionality (e.g., network) for conducting business. Financial institutions, credit card issuers, and businesses typically maintain servers as inherent components of their business methods and systems for the conduct of their businesses over networks and provide the necessary communications access for customers and businesses communicate with each other. The same would be expected for the inventions of **Fernandez-Holmann** *and* **Reeder.**

24.   As per claims 24 and 25, applicant argues on pg. 12 in para. 1 that, as previously discussed with regard to claims 21-23, upon which claims 24 and 25 are dependent, **Kolling** does not teach a method like the claimed invention, including periodically searching a database to identify a plurality of cardholders who are to be charged a fee or due ... and automatically transferring funds. *Examiner disagrees. Credit card issuers regularly search their databases for credit card user accounts to identify a plurality of cardholders who are to be issued periodic statements and be charged a fee or due; this is typical of a monthly statement to the credit card user and is an inherent component of a credit card issuer database and system. Therefore, these features must be an inherent component of the credit card issuer's system and method.*

Additionally, examiner asserts that **Kolling** *et al. discloses the step of automatically transferring funds. At col. 11 lines 18-26,* **Kolling** *et al. discloses to authorize a remittance, the consumer transmits to its bank (a participating bank), or an agent of its bank or any other party connected to the network, a transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to make the payment, (4) consumer C's account number with biller B (C-B account #), and (5) biller B's BRN. One or more of these elements might be represented by a pointer to relatively static information stored at Bank C. For example, if consumer C always uses one of a few accounts as the source of funds, consumer C could submit a pointer indicating which account. Pointers are also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C. Examiner interprets this to encompass the capability to generate automatic charges and payments based on stored account parameters (i.e., expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C) for processing the payments automatically. Therefore,* **Kolling** *et al. encompasses and discloses the claimed invention.*

Conclusion

25. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within TWO

MONTHS of the mailing date of this final action and the advisory action is not mailed until after

the end of the THREE-MONTH shortened statutory period, then the shortened statutory period

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37

CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the mailing

date of this final action.

26.   Any inquiry concerning this communication or earlier communications from the examiner

should be directed to Forest Thompson whose telephone number is (703) 306-5449. The

examiner can normally be reached Monday-Friday from 7:30 AM to 4:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Vincent Millin, can be reached at (703) 308-1065.

The fax number for Formal or Official faxes to Technology Center 2700 is (703) 308-

9051 or 9052. Draft or Informal faxes can be submitted to (703)308-1396.

Any inquiry of a general nature or relating to the status of this application should be

directed to the Group receptionist whose telephone number is (703) 305-3900.

February 28, 2001 /FOT

VINCENT MILLIN
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 2100